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LATHAM & WATKINS LLP

July 7, 2022

VIA ECF

The Honorable Gabriel W. Gorenstein
 United States Magistrate Judge
 U.S. District Court for the Southern District of New York
 Daniel Patrick Moynihan United States Courthouse
 500 Pearl Street
 New York, NY 10007-1312

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Re: *Schansman et al. v. Sberbank of Russia PJSC et al.*, Case No. 19-cv-2985-ALC-GWG; VTB Bank PJSC's Letter Requesting Extension of Time for New Counsel to File Notice of Appearance

Dear Judge Gorenstein:

On behalf of Defendant VTB Bank (PJSC) (“VTB”), we write with respect to the deadline for VTB’s new counsel to enter its appearance. On June 2, 2022, VTB requested an extension of that deadline until June 15, 2022. (Dkt No. 342). In its request, VTB noted that it had recently come to an agreement-in-principle with Marc Agnifilio and Zach Intrater of Brafman & Associates P.C. (“Brafman”), but the logistics of finalizing that engagement were taking longer than anticipated due to the Russia-related sanctions regime in the United States. (*Id.*). The Court granted that request on June 3, 2022. (Dkt No. 350). Since that time, VTB has requested two additional extensions, one on June 15, 2022, and the other on June 23, 2022, both of which the Court granted, effectively extending the deadline for VTB’s new counsel to appear to today, July 7. (See Dkt Nos. 358, 360, 367, 373).

As detailed in the attached declaration, VTB and Brafman have continued to attempt to finalize the engagement with VTB. Over the past several weeks, Brafman has been in contact with three financial institutions in an effort to establish an arrangement that would permit VTB to compensate Brafman for its representation. On June 20, 2022, Brafman received notice from one financial institution, who stated that it could not permit such an arrangement due to its own risk framework. On or about July 6, 2022, Brafman received a similar notice from a second financial institution, stating that it could not permit Brafman to receive payment from VTB. Both of these notices were provided notwithstanding that Brafman has been in contact with, and has received assurances from the Office of Foreign Assets Control (“OFAC”) that such an arrangement and payment for legal services is permissible under OFAC’s sanctions regime. Brafman is continuing to pursue an acceptable arrangement with the third financial institution. Those discussions remain ongoing at this time.

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VTB accordingly respectfully requests a two-week extension for its new counsel to enter its appearance, until July 21, 2022. This is VTB's fourth request for an extension of this nature. VTB appreciates and acknowledges the Court's patience with these requests, and wishes to emphasize its continued desire to participate and defend itself in this litigation. It has remained in regular communication with Brafman as Brafman has navigated these issues, including through a videoconference as recently as this morning.

Plaintiffs oppose the requested extension of time. Plaintiffs position is as follows: "because Latham & Watkins continues to represent VTB and has not sought an immediate withdrawal, the parties should immediately commence briefing on Plaintiffs' proposed motion to compel without further delay to resolve VTB's objection to the production of all documents on the basis of Russian law."

Respectfully submitted,

/s/ Christopher R. Harris
Christopher R. Harris

cc: All Counsel of Record (via ECF)